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At the last meeting, thanks to the IRS, we were able to help you resolve two critical issues – defining “occasional use” as being 15 days or less, and determining that Airbnb and other short term rentals are, in fact, businesses.

It seems to us that the Sub-committee is struggling with the right terminology to use in revising the bill. The hundreds of legal B&Bs in Virginia are happy to give you some help, especially since we will also be covered by this new legislation and we want to make sure it is fair to all of us.

The revised Legislation should include the following:

- Require any facility that provides accommodations for over 15 days per year for compensation in Virginia to register as a business. (Which follows the IRS lead in considering them businesses and sets the limits for “occasional use”.)
- Requires full, open and transparent identification of every Virginia facility, listed on Airbnb or any "platform" - e.g., Homeaway, VRBO. etc., with the full identification of that facilities owner/operator.
- Require all facilities that provide accommodations for compensation, for more than 15 days per year meet applicable State and Local Government requirements and codes for Buildings, meet applicable State and Local Government Fire and Safety requirements and codes, meet applicable State and Local Government Health Department Regulations and meet applicable State and Local Government ABC Laws and Regulations.
- Allow each local government to regulate, inspect, and tax each facility that provides accommodations for compensation as they see fit.
- Require the actual host owner/operator of the facility that provides accommodations for compensation to collect and pay all applicable state sales tax and lodging/accommodations taxes either directly or through a listing "platform".
- Require any "platform" - e.g., Airbnb, Homeaway, VRBO. etc., - that collects and pays taxes for listing properties, provide each level of government with a full accounting of all income/revenue collected from its

listed facilities, and account any taxes collected and paid by the hosting "platform".

- Require that all facilities that provide accommodations for compensation for more than 15 days per year have appropriate insurance.

Give us a call if you need additional assistance.

And don't forget to vote – we all do.